

WASHINGTON. D.C. – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) today issued the following statement about President Obama’s plans to overhaul the financial system:

“President Obama’s prescription of more bailouts, more regulation, and more government everything just won’t fix the economy. This misguided effort to expand government powers over financial markets ignores many failures of government that contributed to this crisis.

“Fannie Mae, Freddie Mac, and misguided government regulations contributed to the housing bubble that led us into the financial crisis. Government regulators have played shadowy roles in organizing bailouts and face serious accusations that they have abused their authority.

“Changes and reorganization are in order, but existing government regulations failed to prevent the current crisis and there’s no reason to think that ill-conceived government interference will prohibit future disasters. Adding another layer of bureaucracy while ignoring the systemic breakdown that caused this crisis may ultimately do more to exacerbate the current crisis.”